

**SOLICITATION / CONTRACT / ORDER FOR COMMERCIAL ITEMS**  
**OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30**

1. REQUISITION NUMBER PR600100127	PAGE 1 OF 38
2. CONTRACT NO.	3. AWARD/EFFECTIVE DATE 07/02/2010
4. ORDER NUMBER DTMA1P10035	5. SOLICITATION NUMBER
7. FOR SOLICITATION INFORMATION CALL:	a. NAME
	b. TELEPHONE NUMBER (No collect calls)
	8. OFFER DUE DATE/ LOCAL TIME

9. ISSUED BY  
 DOT/Maritime Administration, MAR-380  
 1200 New Jersey Ave SE, MAR380 W26-429  
 Washington, DC 20590  
 TEL: (202) 366-0514 ext.  
 FAX: (202) 366-3237 ext.

10. THIS ACQUISITION IS  
 UNRESTRICTED OR  SET ASIDE: 0.00% FOR:  
 SMALL BUSINESS  EMERGING SMALL BUSINESS  
 HUBZONE SMALL BUSINESS  8(A)  
 SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS  
 NAICS: 562910  
 SIZE STANDARD: 251-500

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED  
 SEE SCHEDULE

12. DISCOUNT TERMS

13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)

13b. RATING

14. METHOD OF SOLICITATION  
 RFQ  IFB  RFP

15. DELIVER TO  
 DOT/Maritime Administration, MAR-610  
 1200 New Jersey Ave., SE, MAR610, W25-209/212  
 Washington, DC 20590  
 Attn: Shaun Ireland

16. ADMINISTERED BY  
 DOT/Maritime Administration, MAR-380  
 1200 New Jersey Ave SE, MAR380 W26-429  
 Washington, DC 20590

17a. CONTRACTOR/OFFEROR  
 MARINE METAL, INC  
 16901 RL OSTOS RD  
 BROWNSVILLE, TX 78521-1034  
 TELEPHONE NO.(956) 831-4284 ext. 25

18a. PAYMENT WILL BE MADE BY  
 DOT/ Enterprise Services Center (ESC) OFO/FAA, Oklahoma City  
 MARAD A/P Headquarters Invoices Branch AMZ-150 PO Box 25710  
 Oklahoma City, OK 73125

17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN  
 OFFER

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED  
 SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
(Use Reverse and/or Attach Additional Sheets as Necessary)					

25. ACCOUNTING AND APPROPRIATION DATA  
 2010 - 70 - X17680 - 001SDSD - SC - P00 - - 0000 - 160000 - - - - 25433 - 6100 - 6600 -

26. TOTAL AWARD AMOUNT (For Govt. Use Only)  
 \$ 895,708.00

27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA  ARE  ARE NOT ATTACHED

27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA  ARE  ARE NOT ATTACHED

28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 COPIES TO ISSUING OFFICE/ CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.

29. AWARD OF CONTRACT: REF. DTMA1Q09001 OFFER DATED 11/06/2008. YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR

31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)

30b. NAME AND TITLE OF SIGNER (Type or print)  
**OMAR PEREZ President**

30c. DATE SIGNED  
**7/6/10**

31b. NAME OF CONTRACTING OFFICER (Type or print)  
 Benedict J. Burnowski

31c. DATE SIGNED  
 07/02/2010 **7/6/10**

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activity as identified in the performance schedule through on-site ES&H monitoring, dismantlement inspections, bi-weekly reports and meetings all of which shall determine the actual percentage complete for each activity.

C. Earned Value: - Physical progress completed for each activity shall be reported by percentage at each bi-weekly meeting and shall be the basis for calculating the earned value for actual work completed. Monthly invoices shall identify by each activity the percentage complete for each activity, the earned value billed for this period, the amount of retainage for this invoice, the cumulative earned value billed and the cumulative amount of retainage. The earned value for each activity shall be calculated by multiplying the percent complete by the weighted dollar amount for that activity, less any previous earned amounts.

D. A Performance Schedule Impact Analysis shall be provided, for all changes that affect the schedule in a narrative format that comprises the following:

1. The Contractor shall provide ongoing Schedule analyses by comparing actual progress to planned progress as identified by the original baseline production schedule and shall report in the Summary Status Report the percentage ahead or slippage of his to date progress.

2. The Schedule Impact Analysis shall demonstrate how the Contractor proposes to incorporate the changes into the Schedule and shall explain the affect if any, on milestone accomplishment, Schedule Critical Path, Schedule logic, resources, and costs and completion date.

3. Any changes and events which the Contractor does not indicate in the Schedule and Schedule Impact Analysis is assumed to have no affect on the Production Schedule.

4. Failure by the Contractor to include any element of work required for performance of the Contract shall not excuse the Contractor from completing all work within the Contract performance period and/or in accordance with any Contract-required Milestone Date(s).

E. Recovery Plan. If slippage has occurred from the Contractor's original accepted baseline performance schedule, or any previously revised/accepted Performance Schedule, the Contractor shall provide a written analysis, in narrative format, that identifies the cause of the slippage and proposes a plan of corrective action that will be taken to complete the remaining work within the contract performance period.

F. Late Completion Notification. If at any time, the updated Critical Path of the Performance Schedule indicates a late delivery or late completion date, notify the COTR in writing the next working day, and/or prior to the beginning of any period when no work will occur, such as a holiday period. This notification shall include identification of the problem and shall propose corrective actions for schedule recovery.

G. The Performance Schedule and required reports shall be delivered to the COTR for review and acceptance within (7) seven days after Contract award. Status reports shall be prepared bi-weekly and submitted one day prior to the next scheduled progress meeting, to reflect the addition, deletion, or modification of Work Items, and changes made by the Contractor.

1. Upon acceptance of the Schedule by the COTR, the Contractor shall proceed in accordance with the reviewed and accepted plan and shall not modify the Schedule without the prior approval of the COTR. Modifications to the Schedule do not constitute a modification to the Contract.

2. Any changes in the Schedule desired by the Contractor in the job approach as reflected by the network logic, activity duration, and resource loading shall be submitted in writing to the COTR and reviewed and accepted by the COTR.

3. Any changes in the Schedule resulting in an extension of the Contract performance period shall be submitted for review and approval of the Contracting Officer.

H. The contractor shall manage and schedule all subcontractors' production work and progress, material procurement, and interface control to support the overall Performance Schedule.

1. Provide and Maintain a Subcontractor Listing on file beginning within (3) three days after the Contract Start Date. A revised list is to be updated whenever changes occur to the list. The subcontractor list shall include:

a. The Subcontractor's business address, telephone number and point of contact.

b. All Work Item(s) and scheduled activity(s) number and a brief description of the specific work to be accomplished.

C1-3.3 Performance Schedule Milestones: The Contractor shall incorporate into the performance schedule the following major contract milestones and their required due dates as listed.

Milestones	Due Date
Deliver Sub-Contractor Listing	3 days after Contract Start Date.
Deliver Key Personnel Roster	3 days after Contract Start Date.
Deliver Certificates of Company Insurance	NLT 10 days after Contract Start Date.

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(Required prior to issuance of NTP)

Deliver Certificate of Asbestos Abatement Liability	5 days after Contract Start Date.
Deliver Performance Bond	NLT 10 days after Contract Start Date.
(Required prior to issuance of NTP)	
Deliver Initial Performance Schedule	7 days after Contract Start Date.
Deliver Tug Safety Management Certificate	10 days after Contract Start Date.
Deliver Performance Schedule Activity	
Weighted Average Breakdown	7 days after Contract Start Date.
Deliver Surveyor's Trip in Tow Recommendation Report	5 days after NTP.
Deliver Liquid Load /Ballast Plan for towing	Not later than 7 days prior to tow.
Complete Inland Tow Preparations Prior to scheduled tow to BSY	NLT 23 July 2010.
Deliver Vessel Afloat Monitoring Plan	10 days after Contract Start Date, but not later than 3 days prior to the vessel oceanic tow.
Deliver Oil Spill Contingency Plan Emergency Contact Notification List	10 days after Contract Start Date, but not later than 3 days prior to oceanic tow.
Deliver Towers Insurance	NLT 3 days prior to vessel departure from oceanic tow.
Deliver Facilities Pollution Insurance	NLT 3 days prior to oceanic tow.
Deliver U.S.C.G. Load line Exemption /Order for Departure	Prior to the oceanic tow.
Vessel departs fleet and dry docked	Coordinate with shipyard to dry-dock vessel on 27 July 2010
Conduct joint underwater hull inspection	4 hours after completion of underwater hull cleaning, during daylight hours
Vessel is undocked and shifted to the pier	09 August 2010
Remove Vessel from BSY's Facility	NLT 3 to 5 days after undocking at BSY.
Deliver Pre-Arrival/Arrival Reports	4 days after vessel arrival.
Deliver Hazardous Materials/Wastes Inventory/Contractor Estimate.	10 days after vessel arrival.
Deliver Tank Content Verification Report	10 days after vessel arrival.
Deliver Validation of Contractor HM/HW estimates by sampling and analytical results	20 days after vessel arrival.
Complete PCB Abatement	TBD by contractors performance schedule.
Complete Asbestos Abatement	TBD by contractors performance schedule.
Complete all Hazmat Removal/Disposal	TBD by contractors performance schedule.
Move Vessel into Dismantling Slip	TBD by contractors performance schedule.
Begin Vessel Dismantling	TBD by contractors performance schedule.
Remove Last Structural Piece from Slip	TBD by contractors performance schedule.
Complete Vessel Dismantling	TBD by contractors performance schedule.
Complete Facility Cleaning and Restoration	
30 days after removal of last structural piece from the slip.	
Deliver Certificate of Destruction	
30 days after removal of last structural piece from the slip.	
Deliver Closeout-Report and Final Schedule	
30 days after removal of last structural piece from the slip.	

**FAILURE TO MAINTAIN PROPER SCHEDULES:**

1. Schedules required by this item will be used to determine earned value for calculating contract financing payments. Failure to submit updated and timely schedules will result in a lack of basis for determining contract financing payments and could delay payment to the contractor.
2. Acceptance by the COTR of submitted schedules and associated reports does not relieve the Contractor of performance to the requirements of the Contract. Nor does acceptance serve to approve, warrant, or indicate agreement by the COTR as to the accuracy of the Contractor's schedules.

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SECTION F -- DELIVERIES OR PERFORMANCE

F.1 52.211-11 LIQUIDATED DAMAGES--SUPPLIES, SERVICES, OR RESEARCH SEPTEMBER  
AND DEVELOPMENT R 2000

(a) If the Contractor fails to deliver the supplies or perform the services within the time specified in this contract, the Contractor shall, in place of actual damages, pay to the Government liquidated damages of \$600 per calendar day of delay.

(b) If the Government terminates this contract in whole or in part under the Default-Fixed-Price Supply and Service clause, the Contractor is liable for liquidated damages accruing until the Government reasonably obtains delivery or performance of similar supplies or services. These liquidated damages are in addition to excess costs of repurchase under the Termination clause.

(c) The Contractor will not be charged with liquidated damages when the delay in delivery or performance is beyond the control and without the fault or negligence of the Contractor as defined in the Default-Fixed-Price Supply and Service clause in this contract.

(End of clause)

F.2 PERIOD OF PERFORMANCE

F.2 PERIOD OF PERFORMANCE for Recycling Services of the Vessel FLORIKAN PERIOD OF PERFORMANCE (Including Contract Award Date and Notice to Proceed Date) This Contract Performance shall start no later than seven (7) days after the Award Date and will be coordinated with the dry-docking dates at Bay Ship & Yaht.

The Contractor cannot begin work on any aspect of this contract, including incurring any costs for acquiring such items as bonding, insurance and vessel marine surveys until the Contracting Officer issues an official contract start date. The contract milestones will be calculated from the contract start date unless specifically instructed by the Contracting Officer. The Contractor will not be liable for the submittal of any contract deliverables until the Contracting Officer issues written notification of the contract start date. The contract start date will be the official commencement date at which time the contractor may incur costs in the performance of the contract and bear responsibility for compliance with the terms and conditions in the contract. The contract start date designated by the Contracting Officer, but will normally be no later than 7 days after the award date. The Contractor bears all responsibility and costs associated with preparing the vessel for tow and MARAD will not reimburse the Contractor for expenses incurred prior to issuance of a Notice to Proceed (NTP) except for the inspection by a Marine Surveyor for the purpose of developing the Trip in Tow survey that will be the only activity allowed aboard the Obsolete Vessels(s) prior to the issuance of the NTP. The NTP will only be issued after the Contractor has received acceptance by MARAD of all insurances and surety submittals. The Contractor is advised that MARAD fleet sites will not allow the Contractor access to the vessel to perform Marine Surveyor required tow preparations prior to the Contracting Officer's issuance of NTP. At no time prior to vessel departure from the fleet shall any materials, components or artifacts be removed from the vessel by the Contractor.

The period of performance from the day of undocking through the delivery of the final report shall not exceed 133 calendar days. The performance period for the dismantlement of the vessel shall be expressed in calendar days and shall cover the entire contract time frame from contract start date through final reporting. Workdays shall pertain to specific days and or durations within the performance period linked to the accomplishment of specific activities and or milestones. The overall

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period of performance of this contract is predicated on the Contractor's integrated ship schedule submitted with its price verification dated 08 June 2010. The baseline schedule shall be submitted in accordance with contract provisions and shall not exceed the total performance period duration. The performance period for the dismantlement of the contracted vessel shall commence on the Contract Start Date and complete within 133 calendar days, not excluding any designated holidays, as calculated from the Contract Start Date. The contractor will incorporate all existing work and the dismantlement schedule for the contracted vessel into a master schedule and clearly indicate any dependent relationships between projects. All milestones and deliverables required under this contract shall be due beginning with the issuance by the Contracting Officer of notification of the official Contract start date. If, after acquiring tug service to move the vessel, or at anytime during the transit of the vessel from the fleet to the contractors facility, the tug towing the vessel is taken out of service for more than three calendar days, the Contractor will contract for additional towing services to continue to transit of the vessel to the Contractors facility at no additional cost to the Government. The Contractor shall immediately notify the Government of the actions taken to minimize disruption of the transit of the vessel.